

Exhibit 2

UAW-Delphi Supplemental Agreement (Attachment B), dated April 29, 2004, and
Letter regarding Delphi UAW "Buy Down" Employees, dated September 17, 2007

Attachment B
Supplemental Agreement Benefit Plans

The 2003 - 2007 Supplemental Agreements covering the Benefit Plans between the UAW and Delphi are applicable with the following exceptions:

SECTION I: Health Care Program

A.

	In-Network	Out-of-Network
Annual Deductible		
Individual	\$300	\$1,200
Family	\$600	\$2,100
CoPayments		
Plan Pays	90%	65%
Enrollee Pays	10%	35%
Out-of-Pocket Maximum		
Individual	\$1,000	None
Family	\$2,000	None

B. DELPHI FUNDED FLEXIBLE SPENDING ACCOUNT (FSA):

- Company contributes \$600 annually.
- Utilization of the flexible spending account will be consistent with IRS guidelines unless the parties mutually agree how the FSA accounts will be used.
- In the event the IRS guidelines change over the course of the agreement, the parties will resolve any issues by mutual agreement.

C. PRESCRIPTION DRUGS:

- At retail, \$7.50 for generic and \$15.00 for brand name.
- At mail order, \$7.50 for generic and \$15.00 for brand name.

D. HEALTH CARE ELIGIBILITY:

- Sponsored dependents or principally supported children are not eligible to be enrolled in health care coverage.

E. DENTAL PLAN:

- Employees become eligible when attaining 3 years seniority.

F. VISION CARE:

- Eligibility
 - 3 years seniority but less than 5 years seniority – Coverage provided for annual eye exams.
(Frames and lenses may be obtained at discounts through network provider.)
 - 5 or more years seniority, coverage is the same as provided in 2003 - 2007 UAW-Delphi Vision Care Plan.

G. POST-RETIREMENT HEALTH CARE ACCOUNT:

- \$.50 per compensated hour for each employee will be credited annually to individual post retirement accounts that will vest upon retirement.
- Accounts will accrue with interest credited annually no later than May 1 of each year of the agreement, at the 30 year US Treasury Bond rate.
- Retirees will have access to health care at Delphi group rates regardless of pre-existing conditions.

SECTION II: Pensions

A. INDIVIDUAL RETIREMENT PLAN:

- Delphi will provide annual contributions equal to 5.4% of wages to each employee's Individual Retirement Plan account.
- Accounts will accrue with interest credited annually at the 30 year US Treasury Bond rate.
- Plan assets will be retained in a pension trust subject to vesting and portability provisions.
- There will be no provisions for supplements, temporary benefits or 30 and out retirement.
- Annuities with lump sum option(s) will be available.

SECTION III: Personal Savings Plan (PSP)

- Delphi will provide a 30% match on the first 7% of employee contributions.
- Company match begins after 6 months seniority.
- Company match vests at 3 years seniority.

SECTION IV: Group Life And Disability

A. BASIC LIFE INSURANCE:

- Coverage will be based on wages in accordance with the Schedule of Benefit found in the UAW-Delphi Life Insurance Plan.

B. WORK RELATED DEATH BENEFIT:

- Coverage will be based on wages in accordance with the Schedule of Benefit found in the UAW-Delphi Life Insurance Plan.

C. SICKNESS AND ACCIDENT BENEFITS:

- Eligibility and Duration:
 - 1 year seniority but less than 3 years seniority – 26 weeks.
 - 3 or more years seniority – 52 weeks.

D. EXTENDED DISABILITY BENEFITS:

- Eligibility and Duration:
 - 1 year seniority but less than 3 years seniority – 13 weeks.
 - 3 years seniority but less than 5 years seniority – 26 weeks.
 - 5 or more years seniority – the same duration as provided in the 2003 – 2007 UAW-Delphi Extended Disability Plan.

SECTION V: Supplemental Unemployment Benefits (SUB)

A. ELIGIBILITY AND DURATION:

- 1 year seniority but less than 3 years seniority – 26 weeks.
- 3 or more years seniority – 52 weeks. At the point 52 weeks is exhausted, the company will provide up to an additional 104 weeks.
- Work related expenses are \$15.00.

DELPHI

Date: September 17, 2007

GEN-07-08

To: Personnel Directors – UAW Represented Facilities Only
Local Union Benefit Representatives
(U.S. Operations)

Subject: Delphi UAW “Buy Down” Employees

Please provide a copy of this letter to your Local UAW Benefit Representative(s).

In order to provide a better understanding of the benefits of Traditional UAW-represented employees who buy down on October 1, 2007, the following information is provided.

Effective October 1, 2007, all UAW-represented hourly production and skilled trades employees who did not buy out, elect the pre-retirement program option, or retire in accordance with the Special Attrition Program – Transformation will be covered by the provisions of the Supplemental Agreement dated April 29, 2004 (“Supplemental Agreement”) as amended by the “UAW-Delphi-GM Memorandum of Understanding – Delphi Restructuring” dated June 22, 2007 (“MOU”). Specifically:

Pension

Employees with seniority as of May 28, 1999 who are “Covered Employees” under Attachment B of the MOU, will have continued coverage under the Delphi Hourly-Rate Employees Pension Plan (“Delphi HRP”) until the Delphi HRP is frozen.

As of the Freeze Date, such Covered Employees will remain eligible for vesting and eligibility service under the Delphi HRP but will no longer earn benefit accruals in the Delphi HRP. They will, however, become eligible to accrue credited service under the General Motors Hourly-Rate Employees Pension Plan (“GM HRP”) for all purposes (i.e., vesting, eligibility, and future benefit accruals) as described in Attachment B of the MOU.

For the duration of the period while Covered Employees are eligible to accrue credited service under the GM HRP (i.e., up to 7 years), Covered Employees will not be eligible to participate in the Individual Retirement Plan provisions of the Delphi HRP or receive a company match to the Personal Savings Plan. However, any Covered Employee who continues to work at Delphi following the expiration of the period when they are eligible to accrue credited service (up to 7 years) under the GM HRP, becomes eligible to participate in the Individual Retirement Plan provisions of the Delphi HRP and the company match to the Delphi PSP thereafter.

Other Post-Employment Benefits

Effective October 1, 2007, no UAW-represented hourly production and skilled trades employees are eligible to receive employer-paid post-retirement health care or post-retirement life insurance benefits from Delphi.

Covered Employees who become eligible to retire within 7 years of the Freeze Date are eligible to receive employer-paid post-retirement health care and post-retirement life insurance benefits from General Motors in accordance with Attachment B of the MOU. Such Covered Employees are not eligible to receive credits in the Retiree Medical Account from Delphi.

Covered Employees who cannot attain retirement eligibility within 7 years of the Freeze Date are eligible to receive credits in the Retiree Medical Account from Delphi commencing as of October 1, 2007.

Disability and Layoff Benefits

Employees on Sick Leave, Extended Disability Leave, or Lay Off will have their benefits calculated on their wage rate as adjusted on October 1, 2007.

Attachment A provides the communication that will be sent to all Traditional UAW-represented employees who buy down. This communication includes a copy of the "Supplemental Notice Regarding Benefits for New Hire Employees". This document serves as a modification to the existing Summary Plan Description ("SPD") for all employees covered by the Supplemental Agreement benefits, including those employees who buy down effective October 1, 2007. It also includes a copy of a Benefit Summary for the health care coverages that are provided under the Supplemental Agreement.

This material will be sent to affected employees during the week of September 17, 2007

If you have any questions, please call:

Pension	Brian Studer	(248) 813-1256
Personal Savings Plan	Anthony Stephens	(248) 813-1251
Life and Disability	Nancy Wilking	(248) 813-1258
Health Care	Deanna Schohl	(248) 813-1253
Layoff/SUB	Greg Kimpan	(248) 813-2706

Sincerely,



John L. DeMarco
Director
Pension and Welfare Benefit Plans



Thomas Smith
Director
Health Care

Attachment A

DELPHI

September 19, 2007

Dear Delphi Employee:

According to our records, you elected the Buydown Option under the recently negotiated UAW-Delphi-GM Memorandum of Understanding, Delphi Restructuring, dated June 22, 2007 ("MOU").

This means that effective October 1, 2007, you will be covered under the provisions of the Supplemental Agreement dated April 29, 2004 ("Supplemental Agreement") as modified by the MOU. This provides information concerning the changes to your benefits that will occur as a result of your Buydown election. These modifications apply to all employees who elected to buy down including those on leave and layoff.

Attached, for your reference, is an addendum to the Summary Plan Description, which, along with this letter, explains the applicable benefit modifications. The significant benefit modifications are as follows:

Life and Disability Benefits

The provisions of the Delphi Hourly Life and Disability Program remain the same except that benefits will be based on your new hourly rate of pay. This results in a change in the amount of life insurance, Sickness & Accident (S&A) benefits and Extended Disability Benefits (EDB) for which you are eligible. Additionally, the duration for which S&A and EDB may be paid has been reduced.

For those employees currently receiving S&A or EDB the amount of your benefit will change effective October 1, 2007. The duration of benefit available will be adjusted according to the new provisions. You will be notified by the National Benefit Center in the event your benefits will change as result of the provisions of the Supplemental Agreement.

Pension Benefits

In accordance with the MOU, upon emergence from bankruptcy Delphi will freeze a portion of its Hourly-Rate Employees Pension Plan ("HRP"). The Individual Retirement Plan ("IRP") provisions of the HRP will not be frozen and will continue to operate as negotiated.

Employees who buy down and who are not Covered Employees as defined in Attachment B of the MOU (i.e., generally, any employee without seniority as of May 28, 1999) will begin generating benefits under the IRP the day following the freeze of the HRP. Those employees who are Covered Employees under Attachment B will not generate benefits under the IRP until 7 years after freezing the HRP. However, such Covered Employees will receive credited service under the General Motors Hourly-Rate Employees Pension Plan ("GM Pension Plan") as described in Attachment B of the MOU. If a Covered Employee continues to work at Delphi after 7 years, such employee will then begin generating benefits under the IRP.

Personal Savings Plan

Employees who buy down and who are not Covered Employees under Attachment B of the MOU (i.e., generally, any employee without seniority as of May 28, 1999) will become eligible for the Company Match to their savings in the Personal Savings Plan ("PSP") provided under the Supplemental Agreement the day following the freeze of the HRP. The Company Match is 30% of the employee's eligible savings up to 7% of eligible earnings.

Those employees who are Covered Employees under Attachment B will not be eligible for the Company Match until 7 years after freezing the HRP. However, such Covered Employees will receive credited service under the GM Pension Plan in accordance with Attachment B of the MOU. If a Covered Employee continues to work at Delphi after 7 years, such employee will then be eligible for the Company Match.

Supplemental Unemployment Benefits

Supplemental Unemployment Benefits ("SUB") will be provided in accordance with the Supplemental Agreement. Specifically, employees with less than one (1) year of seniority on the last day worked prior to layoff will not be eligible for any SUB. Employees with one (1) but less than three (3) years will be eligible for 26 weeks of SUB. And employees with three (3) or more years will be eligible for 156 weeks of SUB. These weeks are cumulative over the life of the Agreement.

Health Care

Your current health care option will no longer be available effective October 1, 2007. You and your enrolled dependents will automatically be enrolled in the Supplemental Health Care Plan ("Supplemental Plan") provided under the Supplemental Agreement.

If you are currently enrolled in the Traditional Care Network ("TCN") or the Preferred Provider Option ("PPO") your carriers, network providers and covered services will remain the same. However, you will be required to meet certain deductibles before the plan pays and you will be required to pay coinsurance or make copayments for your care under the Supplemental Plan. If you are currently enrolled in a Health Maintenance Organization ("HMO") your carriers, network providers and covered services will change under the Supplemental Plan to the TCN. Additionally, you will be subject to the same deductible and coinsurance/copayment requirements as set forth under the Supplemental Agreement.

Attached is a brief benefit summary which describes the deductible and coinsurance/copayment requirements. The carriers for this coverage will be Blue Cross Blue Shield or United Healthcare for medical coverages (depending on your state of residence), Medco for prescription drug coverage, Value Options/CIGNA for mental health/substance abuse coverage and Northwood for durable medical equipment/prosthetics & orthotics. You will receive a new ID card within the next several weeks to be utilized when seeking services.

In addition to enrollment in the Supplemental Plan you will also be enrolled for a Health Reimbursement Account. This \$600 account may be used for reimbursement of payments you made towards the deductibles and coinsurance/copayments under the Supplemental Plan. The provisions of this Account are more fully described in the Summary Plan Description. You will receive information from WageWorks, the administrator of this account, in the next several weeks.

Retiree Medical Accounts

Certain employees who buy down will be covered by the Retiree Medical Account ("RMA") provisions of the Supplemental Agreement. These provisions are described more fully in the attached Summary Plan Description.

Employees who are not Covered Employees under Attachment B of the MOU (i.e., generally, any employee hired on or after May 28, 1999) will be eligible for the RMA beginning October 1, 2007. Those employees who are Covered Employees under Attachment B but will not be eligible for retirement (in accordance with the provisions of Attachment B of the MOU) within 7 years of the HRP freeze will also be eligible for the RMA beginning October 1, 2007. Those employees who are Covered Employees under Attachment B who will be eligible for retirement (in accordance with the provisions of Attachment B of the MOU) within 7 years of the HRP freeze will not be eligible for the RMA. However, such Covered Employees will be eligible for post-retirement health care and life insurance from General Motors upon their retirement from Delphi.

The above information represents a summary of the modifications that apply to employees that elect to buy down. Actual eligibility and benefits are provided in accordance with the applicable collective bargaining agreements and plan language of the applicable benefit plans.

If you have questions concerning the Life and Disability or Health Care portions of this letter, you may contact the Delphi National Benefit Center at 1-866-335-7444 or at www.delphinbc.com.

If you have questions concerning the Pension, Personal Savings Plan or SUB portions of this letter, you may contact Fidelity at 1-877-389-2374 or www.yourdelphibenefits.com.

Delphi Corporation

SUPPLEMENTAL NOTICE REGARDING BENEFITS FOR NEW HIRE HOURLY EMPLOYEES

To Certain New Hire Hourly Employees Of Delphi Corporation

If you were hired as a full time employee under the terms of the 2003 Collective Bargaining Agreement between Delphi Corporation and the UAW on or after May 3, 2004, your eligibility for the benefits described in the booklet, ***"Your Benefits!"***, is different. Specifically, the benefits for which you are eligible are described in ***"Your Benefits!"*** as modified by this Supplemental Notice. To the extent that there is any inconsistency between the information contained in the ***"Your Benefits!"*** booklet and this Supplemental Notice, this Supplemental Notice governs. This Supplemental Notice is intended to serve as a summary plan description of your benefits.

PERSONAL SAVINGS PLAN (PSP)

You are eligible to participate in the PSP following attainment of seniority. The PSP allows you to contribute up to 60% of your eligible weekly earnings. The Corporation will provide a 30% match on the first 7% of your contributions (30¢ on each dollar of employee contributions up to 7% of eligible weekly earnings based on a 40 hour week). The Corporation Matching Contributions will begin after 6 months of seniority. If you are a newly hired employee, an enrollment kit will automatically be mailed to your home approximately 21 days before you are eligible to participate in the PSP. **If you fail to enroll, you will automatically be enrolled at the employee pre-tax contribution rate of 3%.** You can change this automatic election at any time on the web at www.yourdelphibenefits.com. Or, you can call the Fidelity Benefit Center toll-free at 1-877-389-2DPH.

EXAMPLE:

An employee earning \$14.00 per hour that worked 40 hours would have \$560 of eligible weekly earnings. Of those earnings a maximum of 60% or \$336 would be eligible to contribute to the PSP. The Corporation Matching Contribution would be 30¢ on each dollar of the first 7% of eligible weekly earnings. Therefore, assuming the employee elected to contribute at least 7% of eligible weekly earnings, the employee would be entitled to a Corporation Matching Contribution of \$11.76 (7% of \$560 is equal to \$39.20 and 30% of \$39.20 is equal to \$11.76).

You can invest your contributions in any of the investment options offered under the PSP. The Corporation Matching Contributions will be invested entirely in the Delphi Common Stock Fund. The Corporation does not match your contributions above 7% of eligible weekly earnings, catch-up contributions or Profit Sharing payments invested in the PSP.

Corporation Matching Contributions are required to be invested in the Delphi Common Stock Fund during the 12-month calendar year in which the contributions are made (January through December). This period is referred to as the Required Retention Period. Upon completion of the Required Retention Period, you may exchange Corporation Matching Contributions invested in the Delphi Common Stock Fund among any of the investment options offered under the PSP. (Investments in the Delphi Common Stock Fund have been suspended since March 11, 2005. As a result, the required investment into the Delphi Common Stock Fund and the Required Retention Period has been suspended. All amounts that would have been invested in the Delphi Common Stock Fund are automatically directed to the Promark Income Fund. You may elect to redirect, at any time, investments that flow into the Promark Income Fund to any of the available investment options under the Plan.)

All of your contributions (employee contributions) to the PSP are vested immediately. Corporation Matching Contributions vest in your account upon attainment of 3 years of seniority. If you have less than 3 years of seniority, Corporation Matching Contributions vest on January 1 following the calendar year in which such contributions are made, or, if earlier, upon your attaining 3 years of seniority.

To obtain detailed information about your PSP account log on to:
www.yourdelphibenefits.com.

Loans

Once each calendar year you may borrow from assets in your PSP account. You may have up to five outstanding loans at any one time. The loan may be for any reason. Corporation Matching Contributions subject to the Required Retention Period cannot be borrowed.

Withdrawals

During the Required Retention Period, you may withdraw part, or all of your contributions and earnings as provided in the booklet **"Your Benefits!"** You may not withdraw any Corporation Matching Contributions or earnings that are subject to the Required Retention Period.

After the Required Retention Period, you may, subject to certain limitations, withdraw from your account any part, or all, of your assets. This includes earnings on your contributions, as well as any Corporation Matching Contributions. However, if you have less than 3 years of seniority you may not withdraw all, or any part, of the Corporation Matching Contributions that were contributed within the 24 months preceding the month of withdrawal.

HEALTH CARE COVERAGES

The Delphi Corporation Health Care Program for Hourly Employees (the “Program” or the “Delphi Program”) provides protection for you and your eligible dependents against a wide range of health care expenses. While coverages provided under the Program are very broad and comprehensive, the Program does not cover all health care services and expenses under all circumstances. Therefore, you should seek guidance from your health care carrier if you have questions as to whether or not a particular health care service or expense is covered under the Program.

In general, the information contained in this Supplemental Notice applies to you unless otherwise noted. This is only a summary of the health care coverages provided and actual Program provisions govern any matters of eligibility, coverage and payment.

Listed below are specific differences in the health care coverages provided to you and those described in this Supplemental Notice:

- All coverages (except Dental and Vision) will become effective on the first day of the month following the month in which you are actively at work, after acquiring seven months of seniority.
- Dental Coverage will become effective on the first day of the month next following the month in which you are actively at work, after acquiring three years of seniority.
- Coverage for an annual eye examination will be provided after you acquire three years of seniority. Full coverage for Vision will become effective the first day of the month next following the month in which you are actively at work, after acquiring five years of seniority.
- Generally, if you are not in active service on the date your health care coverages otherwise would start, your coverages will become effective upon your return to work. If you are an approved disability leave of absence on the date your coverages would start, your coverages will become effective as if you were in active service.
- You are not eligible to select any other health care option (e.g., Preferred Provider Organization (PPO), Health Maintenance Organization (HMO) described in the booklet “**Your Benefits!**”.
- The Program includes certain cost-sharing features including deductibles and copayments. Additionally, in order to receive maximum benefits, covered services must be received from a network of providers maintained by your

Carrier. To determine if a provider is included in the network, you should contact your Carrier.

- Cost-sharing provisions applicable to in-network and out-of-network covered services are shown in the chart below.

	<u>Delphi Program</u>	
	<u>In-Network</u>	<u>Out-Of-Network</u>
<u>Annual deductible:</u>		
Individual	\$300	\$1,200
Family	\$600	\$2,100
<u>Copayment:</u>		
Plan pays	90%	65%
You pay	10%	35%
<u>Out-of-pocket maximum:</u>		
Individual	\$1,000	None
Family	\$2,000	None

- Annual deductibles, copayments, and out-of-pocket maximums are calculated on the basis of “Reasonable and Customary” (R&C) charges as determined by the Carrier. For Carriers with “participating” or approved provider arrangements, it is the amount the participating/approved provider has agreed to accept for covered services.
- Deductibles, coinsurance, copayments, and out-of-pocket maximums apply only to covered hospital, surgical, and medical services. The deductible, copayment and out-of-pocket maximum does not apply to mental health/substance abuse coverage, Durable Medical Equipment, Prosthetics & Orthotics, Dental, Vision and Prescription Drug Coverage. There are separate cost-sharing features for Prescription Drug, Mental Health/Substance Abuse, Vision and Dental Coverages.
- In addition to the benefits described, your option also covers the following:
 - Limited immunizations, by a network provider:
 - for children six years of age or younger, against diphtheria, tetanus, pertussis, polio, and influenza type B;
 - for children age one through age 12, against measles, mumps, varicella and rubella; and
 - for children from birth through age 18, against hepatitis B, and varicella.

- Effective January 1, 2004, coverage is provided for air and boat ambulance transport to the nearest facility qualified to treat the condition. Transport up to 100 miles is subject to a 50% enrollee copayment; the enrollee will be responsible for any amounts in excess of the expense for the first 100 miles. If it is determined that transport by ground ambulance would have sufficed, payment will be limited to the amount that would have been paid for ground ambulance.
 - Air and/or boat ambulance services for hospital-to-hospital transfers are not covered.
- Prescription Drug Coverage provides payment of the prescription charge, less a copayment of \$7.50 (Generic) or \$15 (Brand), for each prescription order or refill at retail or mail.
 - You may incur additional expense if a brand name drug is dispensed at your request or when not determined to be medically necessary. In that event, that you will be required to pay the generic copayment plus the full difference in cost between the generic and the brand name drug. An appeal procedure is available for enrollees who believe that a brand name drug is medically necessary.
 - For certain “maintenance drugs” (and related supplies, if applicable), an original prescription, plus two refills, may be obtained at retail for the normally applicable retail copayment amounts. Thereafter, additional prescriptions/refills for such drugs must be obtained through the mail order program or are subject to a 100% enrollee copayment at retail. The listing of the “maintenance drugs” subject to this requirement are included in the Program provisions and may be obtained by calling Medco Health Solutions.
- Coverage is not provided for Sponsored Dependents or “principally supported children”.
- Any continuation of coverage after retirement will be on a self-paid basis. Your Post-Retirement Health Care Account may be used if you are otherwise eligible to draw from such account.
- Post-Retirement Health Care Account
 - Upon your retirement from Delphi, you will be able to continue any health care coverages then in effect for you and any eligible dependents at your own expense. Delphi will make such coverages available at “group rates”.

- Delphi will provide you with a Post-Retirement Health Care Account that you can use to pay for continued coverages. Delphi will credit you with \$0.50 for every compensated hour during your employment. You are immediately eligible for such credits on your date of hire. Hours for which you will receive the credit generally include any time for which you receive pay, including your straight-time hours, for such things as:
 - Bereavement Pay;
 - Call-in Pay;
 - Holiday Pay;
 - Jury Duty;
 - Overtime;
 - Short-term Military Duty; and
 - Vacation.
- The Post-Retirement Health Care Account will also be credited with interest on an annual basis. The interest rate is that for the 30-year U.S. Treasury Bond. Any interest will be credited based on the accrued balance at the end of each calendar year and will be recorded no later than May 1 of each year. This credit balance continues to accrue until you retire or die at which time all credits and interest will cease to accrue.
- At that point you or your eligible surviving spouse may begin to draw down the balance. You may not draw out any credits except to pay for the cost of health care coverages you may be continuing through Delphi or health care coverages you may be purchasing on an individual basis or through another group.
- This credit balance has no cash value and may not be transferred. If you leave Delphi without retiring, your balance will be forfeited.
- If you die in retirement status, or after you are eligible to retire voluntarily under the Pension Plan, your surviving spouse and eligible dependents will continue to have access to Delphi group coverages on a self-pay basis. Such coverages may be paid for using any remaining balance in your Post-Retirement Health Care Account.
- A surviving spouse age 65 or older who is eligible, but is not enrolled for Medicare Part B coverage, is not eligible to draw upon the Post-Retirement

Health Care Account. Coverages may be continued on a self-paid basis until Medicare Part B coverage is obtained. After enrollment in Part B, the surviving spouse may draw upon the account while Medicare Part B enrollment is maintained.

- Health Care Spending Account
 - You will be eligible for a credit to your Health Care Spending Account in the amount of \$600 at the time you first become eligible for health care coverages. In subsequent years, you will be eligible for a Health Care Spending Account in any year in which you are eligible for health care coverages. If you are not eligible for health care coverages at the beginning of any year, you will not be eligible for the Health Care Spending Account. However, if your coverage is reinstated during the year, you immediately become eligible for the account
 - Generally, almost any health care expense that is eligible for a deduction for federal income tax purposes may be eligible for reimbursement through your Health Care Spending Account (see list later in this Notice). But a word of caution — you cannot do both. You may not deduct an eligible expense and receive reimbursement for that same expense. In addition, eligible expenses for reimbursement from your Health Care Spending Account include deductibles and copayments, but not contributions you pay for health care coverage continued through Delphi or premiums you pay for non-Delphi coverage.
 - The entire amount of your Health Care Spending Account is available at any time. If your health care coverages are terminated during the year, you will still be able to file claims for services rendered during that year. You will be able to file claims for services received in any year that a Health Care Spending Account was established for you. Claims for services incurred in a calendar year may be submitted for reimbursement through March 31 of the following year.
 - You have until March 31 of the following year to submit expenses for services rendered during the prior plan year. Claims that are submitted after that time for a prior year cannot be reimbursed.
 - If you submit a reimbursement claim form and you are reimbursed for expenses that are not covered, or for more than should be allowed, federal law requires that such reimbursement is taxable income to you. You will be responsible for paying any tax required on those amounts.

- Listed below are examples of eligible and non-eligible Health Care Spending Account expenses.

Eligible	Not Eligible
<ul style="list-style-type: none"> • Medical, dental, and vision deductibles and copayments • Prescription drug copayments • Mental health and substance abuse copayments • Allergy testing and treatment • Noncovered orthodontic expenses • Acupuncture • Orthopedic shoes • Prescribed birth control pills • Organ donor expenses • Special telephone equipment for the deaf • Special equipment installed in your home or car for medical reasons • Tutoring for certain learning disabilities • Services of a Christian Science practitioner • Special school costs for physically or mentally handicapped child(ren), including tutoring fees • Certain over-the-counter drugs including antacids, allergy medicines, pain relievers and cold medicines 	<ul style="list-style-type: none"> • Contributions and/or premiums for medical or dental coverage • Marriage/family counseling fees • Health care treatments, medicine, or services that are not legal • Expenses for weight reduction or smoking cessation programs for general health purposes and unrelated to specific ailments • Bottled water • Cosmetics, sundries, and toiletries • Cosmetic surgery (non-reconstructive) • Generally vitamins, patent medicines, or tonics • Health programs offered by resorts, health clubs, or gyms • Scientology fees • Maternity clothes • Domestic help (apart from nursing services), even if recommended by a doctor • Hair treatments and medication to prevent hair loss, even if prescribed by a physician (for example, Rogaine)

-
- You may use the Health Care Spending Account only for eligible expenses. However unused amounts at the end of each calendar year will be forfeited. Claims for services incurred in the calendar year may be reimbursed through March 31 of the following year.

DISABILITY BENEFITS

Sickness and Accident Benefits and Extended Disability Benefits coverage under the Life and Disability Benefits Program will apply on the date following the date you acquire one year of seniority.

The schedule of benefits for Sickness and Accident Benefits and Extended Disability Benefits is as follows:

SCHEDULE OF BENEFITS (In States With No Disability Benefits Laws)

Base Hourly Rate	Before Retirement		Monthly Extended Disability Benefit	
	Weekly Sickness and Accident Benefit (Maximum 52 Weeks)		Schedule I	Schedule II
	(\$)		(\$)	(\$)
Under \$ 14.30		340	1,225	1,345
14.30 - 14.64		345	1,255	1,380
14.65 - 14.99		355	1,285	1,415
15.00 - 15.34		365	1,315	1,445
15.35 - 15.69		375	1,345	1,480
15.70 - 16.04		380	1,375	1,515
16.05 - 16.39		390	1,405	1,545
16.40 - 16.74		400	1,435	1,580
16.75 - 17.09		405	1,465	1,615
17.10 - 17.44		415	1,500	1,645
17.45 - 17.79		425	1,525	1,680
17.80 - 18.14		430	1,560	1,715
18.15 - 18.49		440	1,590	1,745
18.50 - 18.84		450	1,620	1,780

The maximum duration of Sickness and Accident Benefits for an employee with less than 3 years seniority as of the day disability commences is 26 weeks.

The maximum duration of Extended Disability Benefits for an employee with less than 5 years of seniority as of the day disability commences will be as specified as follows:

Years of Seniority as of the Day Disability Commences	Maximum Period for Which Extended Disability Benefits May Be Payable
1 but less than 3	13 weeks
3 but less than 5	26 weeks

SUPPLEMENTAL UNEMPLOYMENT BENEFIT PLAN (SUB PLAN)

In the event of layoff, the SUB Plan provides additional income security to supplement any state unemployment compensation you receive. Under the SUB Plan you may receive the following benefits:

- Regular SUBenefit for a full week of layoff from Delphi;
- Short Week Benefit when your are laid off from Delphi for part of a week; and
- Separation Payment upon termination of employment because of layoff or total and permanent disability.

Eligibility And Duration

If you are placed on layoff and have at least one but less than three years of seniority, you may be eligible for up to 26 weeks of SUBenefits.

If you are placed on layoff and have three or more years of seniority, you may be eligible for up to 52 weeks of SUBenefits. If you have three or more years of seniority and continue on layoff after exhausting 52 weeks of SUBenefits, you may be eligible for up to an additional 104 weeks of SUBenefits.

The SUBenefit calculation below is based on 95% of your after tax base weekly wage less work-related expenses of \$15 and State Unemployment Compensation.

SUBenefit Calculation*

40 hours' gross pay	\$ 560.00
(\$14.00 X 40)	
Less: applicable federal, state, local & FICA taxes	<u>88.27</u>
Weekly after-tax pay	471.73
95% of after-tax pay	448.14
Less: Work-Related Expenses	<u>15.00</u>
Regular Benefit Level	433.14
Less: State UC Benefit (Michigan)	<u>362.00</u>
 Gross Regular Benefit Payable	 \$ 71.14

* State, Local & FICA taxes estimated based on using the TSO (Michigan Tax Base)

Independence Week Period

If you are not scheduled to work during the Independence Week Period, you will have the option of using Vacation Entitlement hours, if available, or be granted an unpaid leave of absence for such Independence Week Period. You will not be placed on a SUB qualifying layoff during the Independence Week period.

HOURLY-RATE EMPLOYEES PENSION PLAN (PENSION PLAN)

The Individual Retirement Plan provisions of the Pension Plan are designed to provide you with a monthly income (annuity) or, if you choose, a single lump-sum payment, in retirement. It is a non-contributory plan. Delphi pays the entire cost. Once you have five or more years of Credited Service, you are vested and entitled to a benefit either at retirement or when you leave Delphi.

Eligibility

- To Participate

You are eligible to participate in the Individual Retirement Plan provisions of the Pension Plan when you acquire seniority.

- To Retire

You are eligible to retire in accordance with the Pension Plan, as follows;

- Normal Retirement at age 65
- Early Retirement at age 60 (but not age 65) with 10 or more years of credited service
- Early Retirement at age 55 (but not age 60) with a combination of age and credited service which totals 85 or more
- Total and Permanent Disability Retirement prior to attaining age 65 and at least 10 years of credited service

There are no provisions for supplements, temporary benefits or a “30 and out” retirement.

How Your Retirement Benefit Grows

Individual Retirement Plan assets will be retained in a pension trust subject to vesting and portability provisions. The balance allocated to your retirement benefit account under the Individual Retirement Plan grows each year through:

- Company Contribution Credit
- Interest Credit

The Company Contribution Credit is equal to 5.4% of your eligible wages (hourly base wage plus COLA). This amount is credited annually to your Individual Retirement Plan account on October 1. Because the Company Contribution Credit is a percentage of your eligible wages, the amount that is credited each year will grow as your eligible wage increases over time.

The Interest Credit allows your account to earn interest each year on the total value of your balance. The interest earned is linked to the 30-year U.S. Treasury Bond rate and is applied to your balance as of September 30 of each Plan Year (before the 5.4% Company Contribution Credit is allocated to your balance for the year).

For example, if your eligible wages for the first year equaled \$29,556.80, your Company Contribution Credit, at the end of the year, would be calculated as follows:

\$29,556.80 x 5.4% (year one annual company contribution credit)	\$1,596.07
---	------------

At the end of the second year the following calculation would occur:

Interest credit on Year 1 contribution credit (\$1,596.07 x 5.5%, assumed 30 year US Treasury Bond rate)	\$87.78
Year 2 company contribution credit (\$31,356.00 (eligible wages based on negotiated increases) x 5.4%)	\$1,693.22
Account balance at end of Year 2 (\$1596.07 + \$87.78 + \$1,693.33 = \$3,377.07)	\$3,377.07

Annual Statement

Each year you will receive a statement that shows your balance under the Individual Retirement Plan, including your most recent Company Contribution Credit, Interest Credit and total balance as of September 30 of the prior year. This statement will also show your total Credited Service.

Benefit Payment Options When You Retire or Leave Delphi after Vesting

When you retire or leave Delphi after vesting, you will be entitled to receive a full distribution of all assets allocated to your Individual Retirement Plan account.

You are allowed to select the payment method best suited to your situation:

- Lump Sum Distribution

If you elect this option, you will receive a one-time payment of your entire retirement balance (payable directly to you – or rolled over into an IRA or another employer's qualified retirement plan).

- Single Life Annuity¹

The single life annuity option provides for equal monthly payments for the rest of your life. When you die, all payments stop.

¹ Annuities are determined by the actuarial equivalent of your balance as defined under the Pension Benefit Guaranty Corporation (PBGC) lump-sum rules.

- Joint and Survivor Annuity¹

A joint and survivor annuity is a shared annuity that pays a benefit to someone else when you die. If you are married, you must have the notarized consent of your spouse to elect someone other than your spouse as your joint annuitant and/or beneficiary. When you die, your remaining account balance (the balance at the time the annuity started less the sum of the monthly benefits you have received) is paid as a lump sum to your beneficiary, or the beneficiary can use the remaining Individual Retirement Plan account balance to buy another annuity.

- Deferred Account Balance

You can leave your account balance in the Individual Retirement Plan and it will continue to grow with interest. However, if you continue to have an account balance upon the attainment of age 70 ½, federal law requires that you must receive annually a minimum required distribution from your account.

Generally you can choose from any of the options above. However, if you are married and elect any option other than a Joint and Survivor Annuity, you must have the notarized consent of your spouse.

About Taxes

When you receive payments from the Individual Retirement Plan, the amount you receive generally will be treated as taxable income in the year you receive it:

- Annuity payments are subject to regular income taxes.
- Lump-sum payments are also subject to regular income taxes, unless you roll over the payment into an IRA or another employer's qualified plan.
- If you end employment before age 55, your lump-sum payment will be subject to an additional 10% tax unless you roll over the payment into an IRA or another employer's qualified plan. If you end employment due to total and permanent disability, you will not be subject to the additional 10% tax, regardless of age.

For specific information and advice about your personal tax situation, contact a tax or financial advisor.

¹ Annuities are determined by the actuarial equivalent of your balance as defined under the Pension Benefit Guaranty Corporation (PBGC) lump-sum rules.

Survivor Benefits

In the event of your death, either before or after you retire, a lump sum payment of your account balance may be provided to your survivor if you are vested and did not receive a lump sum payment upon retirement.

LIFE INSURANCE

The schedule of benefits for Basic Life Insurance and Extra Accident Insurance is as follows:

SCHEDULE OF BENEFITS BASIC LIFE AND EXTRA ACCIDENT INSURANCE

Base Hourly Rate			Basic Life Insurance	Extra Accident Insurance	Total Basic Life And Extra Accident Insurance
			(\$)	(\$)	(\$)
Under	\$	14.30	32,500	16,250	48,750
14.30	-	14.64	33,500	16,750	50,250
14.65	-	14.99	34,000	17,000	51,000
15.00	-	15.34	35,000	17,500	52,500
15.35	-	15.69	36,000	18,000	54,000
15.70	-	16.04	36,500	18,250	54,750
16.05	-	16.39	37,500	18,750	56,250
16.40	-	16.74	38,000	19,000	57,000
16.75	-	17.09	38,500	19,250	57,750
17.10	-	17.44	39,500	19,750	59,250
17.45	-	17.79	40,500	20,250	60,750
17.80	-	18.14	41,000	20,500	61,500
18.15	-	18.49	42,500	21,250	63,750
18.50	-	18.84	43,000	21,500	64,500